

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office 115 Fourth Avenue S.E., Suite 400 Aberdeen, South Dakota 57401



IN REPLY REFER TO: DESCRM MC-208

APR 2 3 2012

MEMORANDUM

TO:

Superintendent, Fort Berthold Agency

FROM: Active Regional Director, Great Plains Region

SUBJECT:

Environmental Assessment Addendum and Finding of No Significant Impact

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, an Addendum has been completed and a Finding of No Significant Impact (FONSI) has been issued. The addendum authorizes land use for the Fisher Jessica pipeline on the Fort Berthold Indian Reservation.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the EA Addendum, FONSI and Notice of Availability. The Council on Environmental Quality (CEQ) regulations require that there be a public notice of availability of the FONSI (40 C.F.R. Section 1506.6(b)) Please post the attached notice of availability at the Agency and Tribal buildings for 30 days.

If you have any questions, please call Marilyn Bercier, Regional Environmental Scientist, Division of Environment, Safety and Cultural Resources Management, at (605) 226-7656.

Attachment

cc: Tex Hall, Chairman, Three Affiliated Tribes (with attachment) Elgin Crows Breast, Tribal Historic Preservation Officer (with attachment) Derek Enderud, BLM, Bureau of Land Management (with attachment) Grady Wolf, KLJ (with attachment) Jonathon Shelman, Corps of Engineers Jeff Hunt, Fort Berthold Agency

Finding of No Significant Impact

ONEOK Rockies Midstream, LLC (ONEOK) Fisher Jessica Pipeline

Addendum to:

Marathon Oil Company Drilling of Everett Fisher USA #31-6H/Jessica USA #21-6TFH (dual well); MHA USA #11-4H/MHA USA 11-4TFH (dual well); Henry Charging USA #41-3H/Henry Charging USA #31-3H (dual well); William USA #31-2H; and Baker USA #11-18H/Baker USA #11-18TFH (dual well)

Oil & Gas Wells August 2011 Environmental Assessment/Finding of No Significant Impact

Fort Berthold Indian Reservation Mountrail County, North Dakota

The U.S. Bureau of Indian Affairs (BIA) has received a proposal for an addendum to the above referenced Environmental Assessment (EA). The proposal is to acquire a 75-foot right-of-way (ROW) corridor (50 feet of temporary ROW and 25 feet of permanent ROW) for construction of approximately 490feet of high density poly ethylene natural gas pipeline up to 6-inches in diameter in Mountrail County, North Dakota, on Fort Berthold Reservation Trust property. The new line would connect to an existing Marathon well pad. Associated federal actions by BIA include determinations of impacts and effects regarding environmental resources for developments on tribal lands.

The potential of the proposed actions to impact the human environment is analyzed in the attached addendum to an existing EA, as required by the National Environmental Policy Act. Based on the recently completed addendum to the EA, I have determined that the proposed project will not significantly affect the quality of the human environment. No Environmental Impact Statement is required for any portion of the proposed activities.

This determination is based on the following factors:

- 1. Agency and public involvement solicited for the preceding NEPA document was sufficient to ascertain potential environmental concerns associated with the currently proposed project.
- 2. Protective and prudent measures were designed to minimize impacts to air, water, soil, vegetation, wetlands, wildlife, public safety, water resources, and cultural resources. The remaining potential for impacts was disclosed for both the proposed actions and the No Action alternative.
- 3. Guidance from the U.S. Fish and Wildlife Service has been fully considered regarding wildlife impacts, particularly in regard to threatened or endangered species. This guidance includes the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.), the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.), the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d, 54 Stat. 250), Executive Order 13186 "Responsibilities of Federal Agencies to Protect Migratory Birds", and the Endangered Species Act (16 U.S.C. 1531 et seq.).
- 4. The proposed actions are designed to avoid adverse effects to historic, archaeological, cultural and traditional properties, sites and practices. Compliance with the procedures of the National Historic Preservation Act is complete.
- 5. Environmental justice was fully considered.
- 6. Cumulative effects to the environment are either mitigated or minimal.
- 7. No regulatory requirements have been waived or require compensatory mitigation measures.
- 8. The proposed projects will improve the socio-economic condition of the affected Indian community.

Regional Director

4-13-2012

ENVIRONMENTAL ASSESSMENT

Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office Aberdeen, South Dakota



ONEOK Rockies Midstream, LLC *Fisher Jessica Pipeline*

Addendum to:

Marathon Oil Company Drilling of Everett Fisher USA #31-6H/Jessica USA #21-6TFH (dual well); MHA USA #11-4H/MHA USA 11-4TFH (dual well); Henry Charging USA #41-3H/Henry Charging USA #31-3H (dual well); William USA #31-2H; and Baker USA #11-18H/Baker USA #11-18TFH (dual well)

Oil & Gas Wells August 2011 Environmental Assessment/Finding of No Significant Impact

Fort Berthold Indian Reservation

April 2012

For information contact:
Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources
115 4th Avenue SE
Aberdeen, South Dakota 57401
605-226-7656

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1 PURPOSE AND NEED FOR THE PROPOSED ACTION

ONEOK Rockies Midstream, LLC (ONEOK) proposes to construct approximately 490 feet of high density poly ethylene natural gas pipeline within a 75-foot right-of-way (ROW) corridor (50 feet of temporary ROW and 25 feet of permanent ROW) in Mountrail County, North Dakota on Fort Berthold Indian Reservation Trust property. The pipeline would consist of a new pipeline segment connecting to an existing Marathon well pad with two actively producing wells.

The purpose of the proposed action is to allow ONEOK to install the proposed pipeline to transport gas from the previously approved Marathon wells to a previously approved gas pipeline, which then would transport the gas to a central facility for further transport to markets. Installation of the proposed pipeline would further support important benefits to the Three Affiliated Tribes associated with oil and gas development. It would also aid in providing individual members of the tribes with needed employment and income. In addition, installation of the proposed pipeline would reduce waste of valuable resources associated with continued flaring of produced gas.

Please refer to Figure 1, Project Location Map.

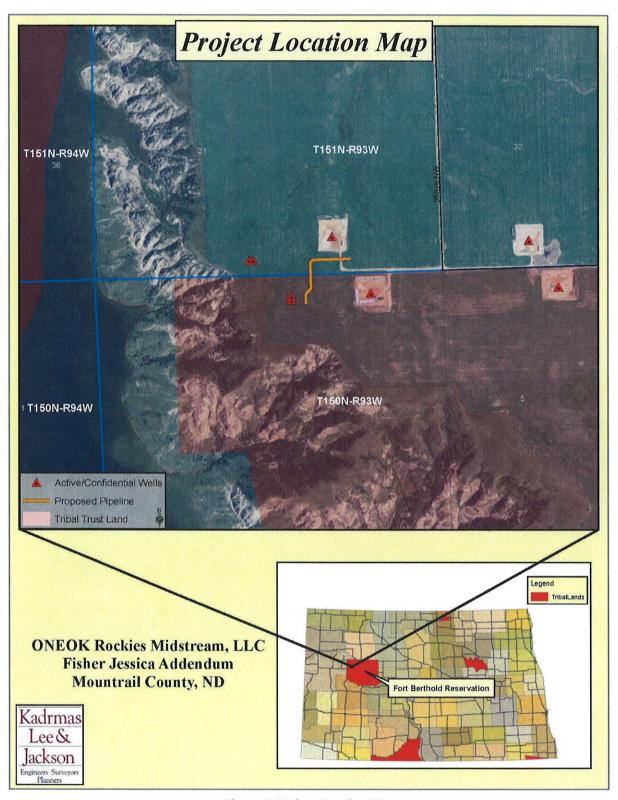


Figure 1, Project Location Map

2 AUTHORITIES

Oil and gas exploration and development activities are conducted under authority of the Indian Mineral Leasing Act of 1938 (25 United States Code [USC] 396a, et seq.), the Indian Mineral Development Act of 1982 (25 USC 2101, et seq.) and the Energy Policy Act of 2005 (42 USC 15801, et seq.).

3 LEGAL LAND DESCRIPTION OF PROPOSED ACTION

The proposed gas pipeline would be located on Bureau of Indian Affairs (BIA) allotted land in Section 6, T150N, R93W, in Mountrail County, North Dakota.

4 SCOPE OF WORK FOR PROPOSED ACTION

The proposed action includes authorization by the BIA to install a natural gas pipeline and other appurtenances above or below ground to move gas to a suitable processing location.

The proposed pipeline corridor would allow for installation of a high density poly ethylene gas pipeline up to six inches in diameter for transporting gas, as well as above or below ground appurtenances such as installation of valve sets, launchers, receivers and cathodic protection equipment.

The proposed project would require approval of the associated 75-foot ROW acquisition consisting of 25 feet of permanent ROW and 50 feet of temporary ROW for construction. Please refer to *Appendix A, Pipeline Plats*. Installation of the pipeline would require clearing and grading within the 75-foot ROW along the entire pipeline corridor. Every effort would be made to minimize surface disturbance during the construction process. Topsoil would be separated and stockpiled along either side of any disturbed cross section to be used for prompt reseeding and reclamation of the disturbed area.

If construction occurs during the winter months, reclamation would be completed to the best of the ability of the contractor immediately following construction. In addition, the contractor would be required to spread and crimp straw over disturbed areas in order to hold soil in place. Remaining reclamation activities would be completed the following spring as soon as conditions allow.

Potential impacts to standing crops would be negotiated with the respective producer. Trenches would be excavated using a trencher or trackhoe to a depth sufficient to maintain a minimum of 48 inches of ground coverage over the pipeline. Coverage would be increased to 72 inches of burial depth at roadway crossings and at any driveway crossings. Please refer to *Figure 2, Typical ROW Cross Section*.

PIPELINE CONSTRUCTION

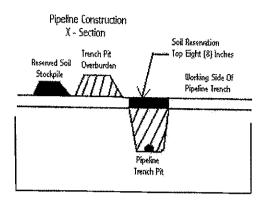


Figure 2, Typical ROW Cross Section

It is understood that other utilities may be present in the project area and would need to be located prior to construction, as well as coordinating potential crossings with the appropriate utilities. The proposed natural gas pipeline would be marked with above ground signs near all road and fenceline crossings. A trace wire would be buried alongside the proposed pipeline for locating purposes.

Valve installations on the existing natural gas line and at the well connect would control the proposed pipeline segment in case of potential spills. These valve installations are typically installed every four to five miles along pipeline segments. ONEOK has committed to developing a spill response plan that would be submitted to the BIA prior to the commencement of construction activities.

It is anticipated that the oil and gas field on the Fort Berthold Reservation will remain active for 30 to 40 years. The proposed high density poly ethylene pipe is anticipated to have a design life extending well beyond 40 years. No maintenance of the pipeline segment due to deterioration during the life of the field is anticipated.

Quality control procedures for new pipeline segments include pressure testing the line to 1¼ times the actual maximum pressure of the proposed line. This series of pressure tests occurs for eight straight hours and is recorded and documented for each new gathering line segment.

5 APPLICABLE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)/CLEARANCE DOCUMENTS

The following NEPA document has been previously approved by BIA for the proposed action:

Marathon Oil Company Drilling of Everett Fisher USA #31-6H/Jessica USA #21-6TFH (dual well); MHA USA #11-4H/MHA USA 11-4TFH (dual well); Henry Charging USA #41-3H/Henry Charging USA #31-3H (dual well); William USA #31-2H; and Baker USA #11-18TFH (dual well) Oil & Gas Wells August 2011 EA/FONSI

6 FIELD RESOURCE SURVEYS

An intensive, pedestrian resource survey of the proposed pipeline corridor was conducted on February 6, 2012, by Kadrmas, Lee & Jackson (KL&J). The purpose of this survey was to gather site-specific data and photos with regards to botanical, biological, threatened and endangered species, eagles and water resources. A 200-foot wide pipeline corridor was evaluated for this site. In addition, a 0.50 mile wide buffer around all areas of project disturbance was used to evaluate the presence of eagles and eagle nests. Resources were evaluated using visual inspection and pedestrian transects across the site.

The BIA EA on-site assessment of the pipeline corridor was also conducted on February 6, 2012. The BIA Environmental Protection Specialist, ONEOK and KL&J participated in this assessment. During the assessment, construction suitability with respect to topography, stockpiling, drainage, erosion control and other surface issues was considered. Those present at the on-site assessment agreed that the chosen location, along with the minimization measures ONEOK plans to implement, would be positioned in areas which would minimize impacts to sensitive wildlife and botanical resources.

A Class I Literature Review for the proposed Fisher Jessica pipeline was conducted by KL&J on February 14, 2012. A Class III Cultural Resources Survey was conducted by KL&J, along with a tribal monitor from the Mandan-Hidatsa-Arikara Nation, on February 6, 2012. The Area of Potential Effect (APE), or area surveyed, consisted of approximately 5.9 acres, including a 200-foot wide corridor centered on the proposed pipeline route.

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The following discussion addresses environmental and social impacts as a result of construction within the pipeline corridor connecting the well pad previously mentioned in EAs or ROW easements. Impacts are only discussed if the extension of the project has changed the impact assessment reflected in the August 2011 environmental documents or to note why the impact assessment has not changed.

A. Air Quality

Gas currently produced by the wells is being flared at the site. The proposed project would collect gas from each well and transport it to markets for use. This would have a beneficial impact on air quality due to the anticipated reduction in gas flaring.

B. Cultural Resources

A Class I Literature Review and Class III Cultural Resource Survey were performed along the proposed pipeline corridor. The field survey revealed no new or previously recorded cultural resources within the survey corridor. A "No Historic Properties Affected" Determination was recommended to the BIA for the proposed construction.

C. Land Use

The proposed project area is located within a predominantly rural area; land use consists entirely of cultivated land; some of the land is currently disturbed due to well pad and access road construction. Please refer to *Figure 3, Proposed Pipeline Location* for a depiction of the landscape along the route. The proposed project would temporarily convert approximately 0.885 acres of land not previously cleared through a NEPA document from its existing use into a pipeline corridor. The pipeline would be buried underground and the majority of existing land uses would resume following construction and reclamation activities. Some activities, such as those associated with developed lands, may be restricted within the permanent 25-foot ROW. No mitigation is proposed.

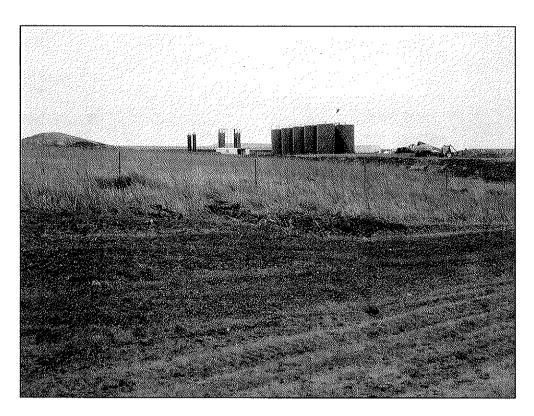


Figure 3, Proposed Pipeline Location

D. Public Health and Safety

Third-party intrusions are one of the biggest contributing factors to spills. To aid in the prevention of such intrusions, ONEOK would fully comply with the marking requirements specified in the US Department of Transportation's rules and regulations, specifically contained in 49 CFR Parts 192 and 195. To ensure such compliance, ONEOK developed construction specifications to delineate the requirements for pipeline marking in accordance with applicable laws, rules and regulations, including the locations of such markings (e.g., road crossings, waterbody crossings, line of sight, etc.) and the manner of marking such pipelines (e.g., height of markings and signage on the markings).

ONEOK has committed to developing a spill response plan that would be submitted to the BIA prior to the commencement of construction activities. The response plan would include procedures that specifically address making the appropriate contacts, isolating the incident, protecting waterways and providing contact information for all the appropriate contractors and experts necessary to facilitate a rapid response.

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ONEOK has committed to the avoidance and minimization measures described below, if the proposed project is approved:

- Straw wattles, silt fences, fiber matting and/or other BMPs would be placed on all slopes greater than 5 percent along with drainage areas.
- Woody vegetation would be shredded and mixed with topsoil during reclamation.
- Topsoil would be segregated and stored on-site to be used in the reclamation process. All
 disturbed areas would be re-contoured to original elevations as part of the reclamation
 process.
- BMPs would be implemented to minimize wind and water erosion of soil resources.
- Disturbed vegetation would be re-seeded with an approved seed mixture from the BIA Environmental Protection Specialist upon completion of the project. The seeding would be maintained until such time that the vegetation be consistent with surrounding undisturbed areas and the area be free of noxious weeds.
- If cultural resources are discovered during construction or operation, work would immediately be stopped, the affected site secured, and BIA and THPO notified. In the event of a discovery, work would not resume until written authorization to proceed has been received from the BIA.
- All project workers are prohibited from collecting artifacts or disturbing cultural resources in any area under any circumstances.
- Prior to construction, ONEOK would coordinate with the Fort Berthold Water Authority Director to ensure minimization of impacts to existing water distribution pipelines.
- Any supporting electrical lines will be installed below ground.
- Utility modifications would be identified during design and coordinated with the appropriate utility company.
- Suitable mufflers would be put on all internal combustion engines and certain compressor components to mitigate noise levels.
- No construction activities would take place between February 1 and July 15 in order to avoid
 potential impacts to raptors and migratory bird breeding and nesting; unless
 mowing/grubbing of the ROW area occurs prior to the breeding/nesting season. Instead of
 mowing, ONEOK may also choose to have a preconstruction survey conducted by a qualified
 biologist five days prior to project construction in order to identify any birds or nests within
 the construction area.
- If a whooping crane is sighted within one-mile of a well site or associated facilities while it is
 under construction, that all work cease within one-mile of that part of the project and the
 USFWS be contacted immediately. In coordination with USFWS, work may resume after the
 bird(s) leave the area.
- During reclamation, slopes would be roughened where possible to reduce erosion.

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This document has identified one previously approved NEPA document: Marathon Oil Company Drilling of Everett Fisher USA #31-6H/Jessica USA #21-6TFH (dual well); MHA USA #11-4H/MHA USA 11-4TFH (dual well); Henry Charging USA #41-3H/Henry Charging USA #31-3H (dual well); William USA #31-2H; and Baker USA #11-18H/Baker USA #11-18TFH (dual well) Oil & Gas Wells August 2011 EA/FONSI, which adequately describes the environmental consequences of the newly proposed actions described herein, and meets the following NEPA Adequacy Criteria:

- 1. The proposed actions are substantially the same actions and at the sites specifically analyzed in the existing NEPA documents.
- 2. The range of alternatives is reasonable with respect to the current proposed actions in the existing NEPA documents, which appropriately considers and analyzes current environmental concerns, interests, and resource values.
- 3. The existing analysis and conclusions are adequate in the existing NEPA documents. The analysis is still valid in light of new studies and/or resource assessment information.
- 4. The methodology and analytical approach used in the existing NEPA documents continues to be appropriate for the proposed actions.
- 5. The direct and indirect impacts of the proposed actions are unchanged from those identified in the existing NEPA documents.
- 6. The cumulative impacts that would result from implementation of the proposed actions are unchanged from those analyzed in the existing NEPA documents.
- 7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA documents.

Notice of Availability and Appeal Rights

Oneok Rockies Midstream, LLC: Addendum to Environmental Assessment to Authorize Land Use for the Fisher Jessica Pipeline

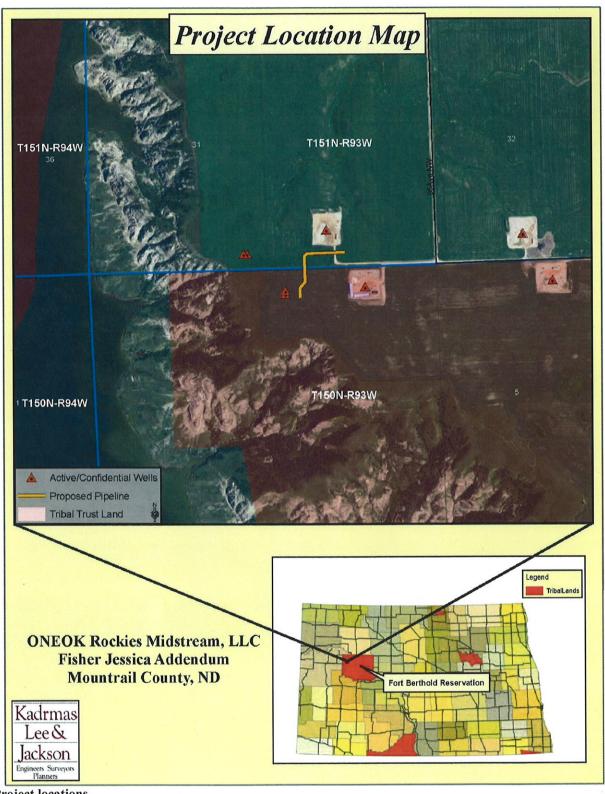
The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to an Addendum to Authorize Land Use for the Fisher Jessica Pipeline on the Fort Berthold Reservation as shown on the attached map. Construction by Oneok Rockies, L.L.C. is expected to begin in 2012.

An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Earl Silk, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No Significant Impact (FONSI).

The FONSI is only a finding on environmental impacts – it is not a decision to proceed with an action and *cannot* be appealed. BIA's decision to proceed with administrative actions *can* be appealed until May 22, 2012, by contacting:

United States Department of the Interior Office of Hearings and Appeals Interior Board of Indian Appeals 801 N. Quincy Street, Suite 300, Arlington, Va 22203.

Procedural details are available from the BIA Fort Berthold Agency at 701-627-4707.



Project locations.